



[SEC File No. 270-404, OMB Control No. 3235-0461]

Proposed Collection; Comment Request; Extension: Rule 602

Upon Written Request, Copies Available From:
Securities and Exchange Commission
Office of FOIA Services
100 F Street, NE
Washington, DC 20549-2736

Notice is hereby given that pursuant to the Paperwork Reduction Act of 1995 (“PRA”) (44 U.S.C. 3501 et seq.), the Securities and Exchange Commission (“Commission”) is soliciting comments on the existing collection of information provided for in Rule 602 of Regulation NMS (17 CFR 240.602), under the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.). The Commission plans to submit this existing collection of information to the Office of Management and Budget (“OMB”) for extension and approval.

Rule 602 of Regulation NMS, Dissemination of Quotations in NMS securities, contains two related collections. The first collection of information is found in Rule 602(a).¹ This third-party disclosure requirement obligates each national securities exchange and national securities association to make available to quotation vendors for dissemination to the public the best bid, best offer, and aggregate quotation size for each “subject security,” as defined under the Rule. The second collection of information is found in Rule 602(b).² This disclosure requirement obligates any exchange member and over-the-counter (“OTC”) market maker that is a “responsible broker or dealer,” as defined under the Rule, to communicate to an exchange or association its best bids, best offers, and quotation sizes for subject securities.³

¹ 17 CFR 242.602(a).

² 17 CFR 242.602(b).

³ Under Rule 602(b)(5), electronic communications networks (“ECNs”) have the option of reporting to an exchange or association for public dissemination, on behalf of customers that are OTC market makers or exchange market makers, the best-priced orders and the full size for such orders entered by market makers on the ECN, to satisfy such market makers’ reporting obligation under Rule 602(b). Since this reporting requirement is an

It is anticipated that 25 respondents, consisting of 24 national securities exchanges and one national securities association, will collectively respond approximately 19,093,763,801,315 times per year pursuant to Rule 602(a) at 18.22 microseconds per response, resulting in a total annual time burden of approximately 96,625 hours. It is anticipated that no respondents will have a reporting burden pursuant to Rule 602(b).⁴

Thus, the aggregate third-party disclosure burden under Rule 602 is approximately 96,625 hours annually which is comprised of 96,625 hours relating to Rule 602(a) and 0 hours relating to Rule 602(b).

Written comments are invited on: (a) whether the proposed collection of information is necessary for the proper performance of the functions of the Commission, including whether the information shall have practical utility; (b) the accuracy of the Commission's estimates of the burden of the proposed collection of information; (c) ways to enhance the quality, utility, and clarity of the information collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology. Consideration will be given to comments and suggestions submitted by **[INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION OF THIS NOTICE IN THE FEDERAL REGISTER]**.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information under the PRA unless it displays a currently valid OMB control number.

alternative method of meeting the market makers' reporting obligation, and because it is directed to nine or fewer persons (ECNs), this collection of information is not subject to OMB review under the Paperwork Reduction Act ("PRA").

⁴ For the reporting obligation under Rule 602(b), the respondents are exchange members and OTC market makers. The Commission believes that communication of quotations through an exchange's electronic trading system effectively means that exchange members currently have no reporting burden under Rule 602(b) for these quotations. The Commission also believes that there are presently no OTC market makers that quote other than on an exchange.

Please direct your written comments to: David Bottom, Director/Chief Information Officer, Securities and Exchange Commission, c/o John Pezzullo, 100 F Street, NE, Washington, DC 20549, or send an e-mail to: PRA_Mailbox@sec.gov.

Dated: October 18, 2022.

Sherry R. Haywood,
Assistant Secretary.

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